

PORT OF SEATTLE

LEASE

P.O.S.
LEASE # L-1283
13th Ave. S.W.

THIS LEASE made as of September 14, 1976, by and between the PORT OF SEATTLE, a Washington municipal corporation as Lessor, hereinafter referred to as "the Port", and SHELL OIL COMPANY, a Delaware corporation, hereinafter referred to as "Lessee".

WITNESSETH:

In consideration of their mutual promises the parties hereto do hereby mutually agree as follows:

LEASED PREMISES

1. The Port hereby leases to Lessee, and Lessee hereby hires and leases from the Port, the following described premises situated in King County, State of Washington:

Approximately 102,163.5 square feet of land area at Port of Seattle Terminal 20, legally described and shown as Parcels "A" and "B" on Exhibit "A" attached hereto and by this reference made a part hereof,

hereinafter called "the premises".

TERM (See Addendum)

2. This lease shall be for a term of five (5) years, beginning January 1, 1977 and ending December 31, 1981.

RENT

3. (a) Lessee agrees to pay as rent for the premises the sum of TWO THOUSAND THIRTEEN AND 64/100 DOLLARS (\$ 2,013.64)

per month. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term, and shall be payable at such place as the Port may hereinafter designate. ~~During the first year of the original term said rent shall be one-half (1/2) of said monthly installments.~~

Rent is computed as follows:

Parcel "A":

88,391 sq.ft. land @ \$0.25/sq. ft./yr. = \$22,097.75/yr. = \$1,841.48/mo.

Parcel "B":

13,772.5 sq.ft. land @ \$0.15/sq. ft./yr. = \$2,065.88/yr. = \$172.16/mo.

TOTAL RENT = \$24,163.63/yr. = \$2,013.64/mo.

(b) The rent stated in subparagraph (a) above shall be subject to renegotiation effective at the end of the 60th month following the commencement of this lease and every 60 months thereafter in the event that the Port gives to Lessee written notice of the Port's election to renegotiate the rent applicable to the option period not less than 180 nor more than 270 days prior to an effective date of the option period. In the absence of such notice, the rent applicable for the prior rent period shall apply to the forthcoming option period also. Promptly following such notice of renegotiation the parties shall negotiate in good faith for a renegotiated rent for the forthcoming option period. Unless expressly provided to the contrary in another paragraph of the lease, such renegotiated rent shall be the same as the

EXHIBIT B

market rental value of the premises (determined on a square footage or other appropriate basis customarily used for comparable properties) as compared with such rental value being obtained on other premises for similar use in the Greater Seattle area. The value of any improvements to the premises financed by Lessee at no cost to the Port shall be excluded in determining the fair market rental value of the premises. In the event that the parties cannot agree on the rent prior to sixty (60) days before the effective date for rent renegotiation, the rent shall be determined, according to the following formula, by three arbitrators, each of whom shall be a member of either the Society of Industrial Realtors or of the Washington-British Columbia Chapter of the American Institute of Real Estate Appraisers and shall be experienced in the evaluation of the type of premises subject to this lease. Each party shall select and fully compensate one of these arbitrators, and the third arbitrator shall be selected by the other two and compensated in equal shares by the parties. Rent, payable herein, for any period less than a calendar month shall be prorated.

~~(c) Each monthly payment provided for in subparagraph (a) shall be accompanied by a check drawn on the form attached hereto as Exhibit _____ enumerating Lessee's activities in marine commerce during the second most recent calendar month. The Port will employ this report from Lessee in preparing statistical summaries for the benefit of the State, India, and the Republic of Korea. Lessee shall not remove Lessee's name from the report or any other party.~~

**BOND OR OTHER
SECURITY**

4. (a) Lessee shall, upon execution of this lease, file with the Port a good and sufficient corporate surety company bond, rental insurance policy, or other security hereinafter referred to as the "Bond" in accordance with the requirements of the laws of the State of Washington to secure the full performance by Lessee of all terms and conditions of this lease, including the payment by Lessee of all amounts now or hereafter payable to the Port during the full term hereof. The form and provisions of the Bond, and the identity of the surety or insurer thereon, shall be subject to the approval of the Port. The amount of the Bond shall be based upon the rents payable hereunder and determined in accordance with the laws of the State of Washington, and shall be adjusted if required by said laws. If the amount of the Bond is not so adjusted, Lessee shall be considered in default hereunder, and subject to the Port's rights under subparagraph (d) of this paragraph and paragraph 20 "Defaults" below. No future amendment or extension to this lease shall be effective until the surety or insurer has given its consent thereto and the amount of the Bond has been adjusted as required. The Bond may provide for termination on the anniversary date thereof upon not less than one (1) year's written notice to the Port if the lease is not in default at the time of said notice. In the event of any such termination, Lessee shall obtain a new Bond, also subject to Port approval, to replace the Bond being so terminated to be effective on or before the date of termination.

(b) In the event of application by Lessee and acceptance by the rental insurer, Lessee may, as an alternative to obtaining a Bond by its own efforts as provided in subparagraph (a) above, elect to secure its full performance of the rental payment of this lease through participation in and subject to the terms and conditions of the Port's rental guarantee insurance program. In the event of such election by Lessee and acceptance of Lessee by the rental insurer, the rental insurance premium payable by Lessee shall be an added charge due and collected with rent payments. If Lessee shall fail to provide a Bond as provided in subparagraph (a) above within thirty (30) days after signing this lease or within thirty (30) days after the expiration of a prior Bond, Lessee hereby expressly authorizes the Port to seek to place this lease on the Port's rental guarantee plan and agrees to pay the premium due thereon in addition to all other payments due under this lease in the event the rental insurer accepts this lease.

(c) Until such time as Lessee furnishes the Bond in accordance with the provisions of subparagraph (a) above or Lessee in the alternative fully qualifies for rental insurance under the provisions of subparagraph (b) above relating to the Port's rental guarantee insurance program, and in the event Lessee at any time or times during the stated term of this lease shall cease to be in compliance with the provisions of this paragraph 4, the Port at its sole option may elect to exercise any or all of its rights under paragraph 20 "Defaults" below following fifteen (15) days' prior written notice to Lessee. Pending Lessee's cure of its default or the effective date of any termination for default so elected by the Port, Lessee shall pay rent and all other sums owing to the Port under this lease computed as though this lease had been originally awarded on a month-to-month basis.

(d) It is further agreed that in the event the laws of the State of Washington applicable hereto shall hereafter be amended, the provisions of this entire paragraph 4 shall be deemed likewise automatically amended upon the effective date of such statutory amendments, to the extent and in a manner necessary to comply therewith. In the event such statutory amendments make it prohibitive for Lessee's continued occupancy of and the operation of Lessee's business on the premises, then Lessee shall have the right to terminate this lease by giving the Port at least thirty (30) days' advance written notice.

**USE OF
PREMISES**

5. Lessee shall use the premises for storage and distribution of petroleum products which shall not be unreasonably withheld, and shall not use them for any other purpose without the written consent of the Port. Lessee shall use the entire premises for the conduct of said business in a first-class manner continuously during the entire term of this lease, with the exception of temporary closures for such periods as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's reasonable control. Lessee agrees that it will not disturb the Port or any other tenant of the Port by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the premises. Lessee shall comply with any and all rules and regulations of the Port or its designees which may be applicable to the business conducted on the premises.

UTILITIES

6. Lessee shall be liable for, and shall pay throughout the term of this lease, all charges for all utility services furnished to the premises, including, but not limited to, light, heat, electricity, gas, water, sewerage, garbage disposal and janitorial services. Lessee shall be responsible for the cost of any and all utility services furnished to the premises, including, but not limited to, light, heat, electricity, gas, water, sewerage, garbage disposal and janitorial services. Lessee shall be responsible for the cost of any and all utility services furnished to the premises, including, but not limited to, light, heat, electricity, gas, water, sewerage, garbage disposal and janitorial services.

(See Addendum)

8. ~~At the expiration or termination of this lease, Lessee shall return the premises to the lessor in the same condition in which received for, if altered by Lessee with the Port's consent, then the premises shall be returned in such altered condition), reasonable wear and tear and damage by fire or unavoidable casualty excepted. Lessee shall, at its own expense, at all times keep the premises, and the adjoining roadways and sidewalks, neat, clean and in a safe and sanitary condition, free from infestation of pests and conditions which might result in harborage for, or infestation of, pests. (The word "pests", as used herein, shall include, without limitation, rodents, insects and birds in numbers to the extent that a nuisance is created.) Lessee shall also keep the glass of all windows and doors on the premises clean and presentable, and shall maintain and keep the premises in a good state of repair, and shall commit no waste of any kind, and, without limiting the generalities thereof, shall replace all cracked or broken glass in the premises, and keep the electrical system and the sprinkler system and all drains clean and in a good state of repair, and shall protect the sprinkler system and all pipes and drains so that they will not freeze or become clogged. Provided, that Lessee's said obligation to make all necessary repairs shall not extend to any repairs to the roof (structure or covering) or to the foundations of the building or structure (but expressly excluding from the term "foundations" all flooring and decking, whether structural or finish) of which the premises are a part, or to any repairs to any bearing columns or bearing walls or to the exterior walls of the building or structure that may be necessary to maintain the structural soundness of those columns or walls, except to the extent that any of the repairs described in this proviso may be required as a result of damage caused by negligence of Lessee or its agent, employees, invitees or licensees. Lessee shall remove all snow and ice from the sidewalk in front of the premises and shall remove all snow and ice from the roof thereof.~~

9. Lessee shall make no alterations or improvements to or upon the premises or install any fixtures ~~which can be removed without injury to the premises~~ without first obtaining written approval from the General Manager, the Po and subject to any and all conditions in such approval. ~~Any such alterations or improvements shall be the responsibility of the Lessee.~~ ~~Lessee shall be responsible for the removal of any such alterations or improvements to the premises at the expiration of the term of this lease.~~

10. The Port reserves the right to inspect the premises at any and all reasonable times throughout the term of this lease: Provided, that the Port shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the premises, and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For Rent" signs in conspicuous places on the premises for thirty (30) days prior to the expiration or sooner termination of this lease.

11. ~~The use of the entire area of the wells, rather than the floor of the premises and the roof of the building in which the premises are located is reserved to the lessor, which shall have the right to sell to the lessee for any purpose, including the extinguishment of fires.~~

12. If the Port shall be unable for any reason to deliver possession of the premises, or any portion thereof, at the time of the commencement of the term of this lease, the Port shall not be liable for any damage caused thereby to Lessee, nor shall this lease thereby become void or voidable, nor shall the term specified herein be in any way extended, but in such event Lessee shall not be liable for any rent until such time as the Port can deliver possession. If Lessee shall, in the interim, take possession of any portion of the premises, Lessee shall pay as rent the full rent specified herein reduced pro rata for the portion of the premises not available for possession by Lessee. If the Port shall be unable to deliver possession of the premises at the commencement of the term of this lease, Lessee shall have the option to terminate this lease by at least thirty (30) days' written notice, unless the Port shall deliver possession of the premises prior to the effective date of termination specified in such notice. If Lessee shall, with the Port's consent, take possession of all or any part of the premises prior to the commencement of the term of this lease, all of the terms and conditions of this lease shall immediately become applicable, with the exception that Lessee shall not be obligated to pay any rent for the period prior to the commencement of the term of this lease unless otherwise mutually agreed. However, the Port shall not deny Lessee permission to enter the premises for purposes of making soil investigations and/or surveys, it being understood by the parties that such entry be construed as taking possession of the premises as defined herein.

13. ~~Should the premises be damaged by fire or other casualty, and if the damage is repairable within four (4) weeks from the date of the occurrence (with the repair work and the preparations therefor to be done during regular working hours on regular work days), the premises shall be repaired with due diligence by the Port, and in the meantime the monthly minimum rent shall be abated in the same proportion that the untenable portion of the premises bears to the whole thereof, for the period from the occurrence of the damage to the completion of the repairs.~~

(b) Should the premises or any buildings or structures of which the premises are a part be completely destroyed by fire or other casualty, or should they be damaged to such an extent that the damage cannot be repaired within four (4) weeks of the occurrence, the Port shall have the option to terminate this lease on thirty (30) days' notice, effective as of any date not more than sixty (60) days after the occurrence. In the event that this paragraph shall become applicable to this Lease, the Port shall be responsible for the cost of the (30) days' notice, and the expenses of any such termination of this Lease.

ure of Lessee to pay the rents, interest, and any and all other charges provided for in this lease at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, including without limitation the provisions of paragraph 4 relating to the Bond which must be furnished by Lessee and maintained throughout the term of this lease, the Port may elect to terminate this lease and reenter and take possession of the premises with or without process of law; Provided, however, that Lessee shall be given fifteen (15) days' notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said fifteen (15) day period. Payment by Lessee to the Port of interest on rents and/or on any other charges due and owing under this lease shall not cure or excuse Lessee's default in connection with such rents and/or other charges. Interest, default and all other remedies of the Port hereunder are cumulative and not alternative. If upon such reentry there remains any personal property of Lessee or of any other person upon the premises, the Port may, but without the obligation to do so, remove said personal property and hold it for the owner thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owner thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. The Port shall have the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rents and interest provided for herein shall not be extinguished for the balance of the term of this lease, and Lessee shall make good to the Port any deficiency arising from a reletting of the premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port.

TERMINATION

(See Addendum)

21. ~~In the event that the Port, at its sole discretion, shall require the use of the premises for a major capital improvement for public or private use in connection with the operation of the business of the Port, then this lease may be terminated by the Port by written notice delivered or mailed by the Port to Lessee not less than _____ (____) days before the termination date specified in the notice.~~

TERMINATION
FOR GOVERN-
MENT USE

to remove
30 days of

22. In the event that any federal, state or local government or agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the premises or any part thereof, the Port may, at its option, terminate this lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this lease on said date, any rent prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee. **And further Lessee shall have the right to remove all of Lessee's property both real and personal from the premises within 30 days of said termination.**

TERMINATION
BECAUSE OF
COURT DECREE

both real

23. In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this lease, then either party hereto may terminate this lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this lease on the effective date of such termination, any rent prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee. **And further Lessee shall have the right to remove all of Lessee's property both real and personal from the premises within 30 days of said termination.**

SIGNS

(See Addendum)

24. ~~No signs or other advertising matter, symbols, canopies or awnings shall be attached to or painted on or such in the premises, including the windows and doors thereof, without the approval of the General Manager of the Port first had and obtained. At the termination or sooner expiration of this lease, all such signs, advertising matter, symbols, canopies or awnings attached to or painted by Lessee shall be removed by Lessee at its own expense, and Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance and removal of the signs, etc.~~

INSOLVENCY

25. If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the premises or on any personal property kept or maintained on the premises by Lessee, the Port may, at its option, terminate this lease, **only if such proceedings are not dismissed within sixty (60) days, subject, however, to Lessee's right to removal of all of its property both real and personal.**

NONWAIVER

26. The acceptance of rent by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been timely cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of paragraph 20 hereof.

PROMOTION
OF PORT
COMMERCE

27. ~~Lessee agrees that throughout the term of this lease it will, insofar as practicable, promote and aid the movement of passengers and freight through facilities within the territorial limits of the Port.~~ Lessee further agrees that all incoming shipments of commodities that it may be able to control or direct shall be made through facilities within the territorial limits of the Port if there will be no resulting cost or time disadvantage to Lessee.

**SURRENDER
OF PREMISES -
ATTORNEYS' FEES**

28. At the expiration or sooner termination of this lease, Lessee shall promptly surrender possession of the premises to the Port, and shall deliver to the Port all keys that it may have to any and all parts of the premises. In the event that either party shall be required to bring any action to enforce any of the provisions of this lease, or shall be required to defend any action brought by the other party with respect to this lease, and in the further event that one party shall entirely prevail in such action, the losing party shall, in addition to all other payments required therein, pay all of the prevailing party's actual costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorneys' fees in the trial court and in any appellate courts.

HOLDING OVER

29. If Lessee shall, with the consent of the Port, hold over after the expiration or sooner termination of the term of this lease, the resulting tenancy shall, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. During such month-to-month tenancy, Lessee shall pay to the Port the same rate of rent as set forth herein, unless a different rate shall be agreed upon, and shall be bound by all of the additional provisions of this lease insofar as they may be pertinent.

**ADVANCES
BY PORT
FOR LESSEE**

30. If Lessee shall fail to do anything required to be done by it under the terms of this lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.

**LIENS AND
ENCUMBRANCES**

31. Lessee shall keep the premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item which would or might constitute the basis for such a lien on the premises if not paid.

NOTICES

32. All notices and payments hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

To Lessor:

The Port of Seattle
P. O. Box 1209
Seattle, Washington 98111

To Lessee:

SHELL OIL COMPANY

P. O. Box 3947

Seattle, WA 98124

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices and payments sent by certified or registered mail and subsequently received by the Port shall be deemed to have been given when and if properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

**JOINT AND
SEVERAL LIABILITY**

33. Each and every party who signs this lease, other than in a representative capacity, as Lessee, shall be jointly and severally liable hereunder.

**"LESSEE"
INCLUDES
LESSEES, ETC.**

34. It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this lease, regardless of the number, gender or fact of incorporation of the party who is, or of the parties who are, the actual lessee or lessees under this agreement.

CAPTIONS

35. The captions in this lease are for convenience only and do not in any way limit or amplify the provisions of this lease.

**INVALIDITY
OF PARTICULAR
PROVISIONS**

36. If any term or provision of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

**NONDISCRIMI-
NATION-
SERVICES**

37. (a) Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, sex, age, creed, color or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby.

(b) It is agreed that Lessee's noncompliance with the provisions of this clause shall constitute a material breach of this lease. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law.

NONDISCRIMI-
NATION-
EMPLOYMENT

38. Lessee covenants and agrees that in all matters pertaining to the performance of this lease, Lessee shall at all times conduct its business in a manner which secures fair, equal and nondiscriminatory treatment of all persons without respect to race, sex, age, color, creed or national origin and, in particular:

- (a) Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
- (b) Lessee will comply strictly with all requirements of applicable federal, state and local laws or regulations issued pursuant thereto relating to the establishment of nondiscriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, sex, age, creed, color or national origin.

LABOR UNREST

39. Lessee agrees to join with the Port and use its best efforts in avoiding labor unrest, or in the event of a wildcat strike or other labor difficulty, to use its good offices in negotiating and bringing to a swift and satisfactory conclusion any kind of labor dispute that may affect the interests of the Port.

EASEMENTS

40. (a) The parties recognize that the Port facilities are continuously being modified to improve the utilities, services and premises used and provided by the Port. The Port, or its agents, shall have the right to enter the premises of Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair and operate the sewer, water, and drainage lines, and the electrical service, and all other services and facilities required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the premises of Lessee, without any additional cost to the Port for the purposes expressed hereinabove. Provided, however, that the Port by virtue of such use, does not substantially deprive Lessee from its beneficial use or occupancy of its leased area for an unreasonable period of time, not to exceed thirty (30) working days, without consent of Lessee.

(b) In the event that the Port permanently deprives Lessee from such beneficial use or occupancy, then an equitable adjustment in rent, or in the cost required to modify its premises to allow the Lessee to operate its business, will be negotiated and paid by the Port to Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse Lessee for the cost required to modify its premises for the temporary period that Lessee is inconvenienced by such Port entry. The Port will not be responsible to Lessee for any reduced efficiency or loss of business occasioned by such entry.

FEDERAL
MARITIME
COMMISSION
REGULATIONS

41. (a) This instrument shall be submitted to the Federal Maritime Commission, for determination as to whether it may be subject to the provisions of Section 15 of the Shipping Act, 1916, as amended. In the event that the Commission or its staff shall determine approval of this instrument is required under said Section 15, this instrument shall not become effective until both of the parties hereto have been informed that such approval has been given. No future amendment or modification to this instrument other than a termination of the entire agreement between the parties by their mutual consent shall become effective until such amendment or modification has been submitted to and reviewed by the Federal Maritime Commission and its staff in the manner outlined above.

(b) Pending approval by the Federal Maritime Commission, Lessee will be assessed rent pursuant to the Port tariffs. Once Federal Maritime Commission approval is received, Lessee will be obligated to pay the rent thereafter pursuant to the lease. If it is found by the FMC that this lease is not subject to Federal Maritime Commission approval, then and in that event the rent will be assessed retroactively from the first date of occupancy at the rate stated herein, and Lessee will be given credit for the amount of rent he has paid heretofore under the tariff rate.

ENTIRE
AGREEMENT-
AMENDMENTS

42. Prior to signing this lease the parties modified printed paragraph(s) 3, 4, 5, 6, 9, 12, 19, 22, 23, 25 and 27 deleted printed paragraph(s) 8, 11, 13, 16, 18 added typewritten paragraph(s) 8, 13, 18, 21, 24 set forth on the attached Addendum to this lease which is incorporated herein and made a part hereof by this reference, and added attached Exhibit "A". This printed lease together with any attached Addendum incorporated by the preceding sentence and any and all exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modification or amendment of this agreement shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

IN WITNESS WHEREOF the parties hereto have signed this lease as of the day and year first above written.

SIGNATURE
FOR LESSEE
IF INCORPOR-
ATED

ATTEST

By

[Signature]
ASSISTANT SECRETARY
(CORPORATE SEAL)

SHELL OIL COMPANY

By

[Signature]
President

J. E. MULKEY, LESSEE
REAL ESTATE MANAGER, WEST
CORPORATE REAL ESTATE

SIGNATURE
FOR LESSEE
IF UNINCOR-
PORATED

[Signature]

LESSEE

PORT OF SEATTLE

ATTEST

[Signature]

Secretary

(CORPORATE SEAL)

[Signature]

President

LESSOR

STATE OF WASHINGTON)

)

ss.

COUNTY OF KING)

On this 14th day of September, 1976, before me, the undersigned notary public in and for the State of Washington, duly commissioned and sworn, personally appeared HENRY J. SIMONSON and PAUL S. HEDLANDER

to me known to be the President and Secretary, respectively, of the Port Commission of the PORT OF SEATTLE, a municipal corporation, the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were duly authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto the day and year in this certificate first above written.

[Signature]
Notary Public in and for the State of Washington, residing at Seattle

My commission expires Feb. 11, 1978

(ACKNOWLEDGMENT FOR CORPORATE LESSEE)

STATE OF Texas)

)

ss.

COUNTY OF Harris)

On this 23rd day of August, 1976, before me personally appeared Paul S. Hedlander and C. M. Wright to me known to be the President and the Secretary, respectively, of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]
Notary Public in and for the State of Texas, residing at

PATSY ANN HARRIS
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1977

(ACKNOWLEDGMENT FOR INDIVIDUAL LESSEE)

STATE OF)

)

ss.

COUNTY OF)

[Signature]

On this _____ day of _____, 19____, before me personally appeared _____

to me known to be the individual(s) described in and who executed the within instrument and acknowledged that he/she/they signed and sealed the same as his/her/their free and voluntary act and deed for the uses and purposes herein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of _____, residing at _____

ADDENDUM TO LEASE
BETWEEN
PORT OF SEATTLE AND SHELL OIL COMPANY
TERMINAL 20

MAINTENANCE,
REPAIR AND
REMOVAL

8. (a) All buildings, improvements, equipment and other property constructed, installed or placed on the premises by Lessee or acquired by Lessee, at any time during the continuance of this or any previous lease or any tenancy thereafter, shall be and remain Lessee's property, and Lessee shall have the right to remove any or all of the same from the premises at any time during, and within sixty (60) days after, any expiration or sooner termination of this lease or any tenancy thereafter. Lessee at the expiration or any sooner termination of this lease, or any tenancy thereafter, shall surrender the premises to the Port subject to ordinary wear and tear. Lessee shall, at its own expense, at all times keep the premises, and the adjoining roadways and sidewalks, neat, clean and in a safe and sanitary condition. Lessee shall remove all snow and ice from the sidewalks in front of the premises.

(b) Lessee further agrees that within sixty (60) days following termination of this lease for any reason whatsoever, Lessee will at Lessee's sole cost and expense remove all buildings, improvements, equipment and other property constructed, installed or placed on the premises by Lessee or acquired by Lessee, in accordance with paragraph 8. (a) hereinabove, if so requested by the Port.

DAMAGE OR
DESTRUCTION

13. Should the buildings, improvements and equipment be completely destroyed by fire or other casualty and if Lessee has not commenced to repair and/or rebuild within sixty (60) days after such occurrence, either the Port or Lessee shall have the right to terminate this lease on thirty (30) days' advance written notice effective on the ninetieth (90th) day after such occurrence.

COMPLIANCE WITH
PORT REGULATIONS
AND WITH ALL
LAWS

18. Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the improvements to be constructed by Lessee for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public. Lessee further agrees to comply with all applicable federal, state and municipal laws, ordinances, and regulations, including without limitation those relating to environmental matters. Any fees for any inspection of the premises during or for the lease term by any federal, state or municipal officer and the fees for any so-called "Certificate of Occupancy" shall be paid by Lessee.

TERMINATION

21. In the event that the Port, at its sole discretion, shall require the use of the premises for a major capital improvement for public or private use in connection with the operation of the business of the Port, then this lease may be terminated by the Port at the end of the primary term of the lease or at the end of any extension thereof by written notice delivered or mailed by the Port to Lessee not less than eighteen (18) months before the termination date specified in the notice, subject to the rights of Lessee under paragraph 8.

SIGNS

24. Any signs placed on the premises or on the buildings or improvements to be installed by Lessee shall be Lessee's normal identification signs and shall be removed by Lessee at Lessee's sole cost and expense upon termination of this lease.

RENEWAL
OPTIONS

43. Provided Lessee is in good standing, Lessee shall have the option to extend this lease for five (5) additional periods of five (5) years each on the same covenants and conditions as herein provided, any one or more of which options Lessee may exercise by giving the Port written notice at least two hundred ten (210) days prior to the expiration of the original term or the then current extension (as the case may be), except that the rent applicable to each successive option period shall be subject to adjustment pursuant to the terms of paragraph 3 (b) herein. However, in the event the Port and Lessee do not agree to said adjustment, then Lessee shall have the right to notify the Port by written notice at least five (5) days prior to the end of the original term or the then current extension period of Lessee's withdrawal of its exercised option.

ADDENDUM (continued)

STREET
VACATION

44. Lessee has executed and delivered this lease to the Port on the condition that the Port immediately begin proceedings to vacate that part of Lander Street lying between 13th Avenue SW. and 11th Avenue SW. and notwithstanding anything to the contrary hereinabove, the five-(5) year primary term of this lease shall begin on the date that the order of vacation has been finalized and recorded in the public records in King County, State of Washington, except that Lessee, at Lessee's option, if the street vacation does not obtain, may elect to take possession of the premises by giving notice to the Port whereupon the five-(5) year primary term of this lease shall begin except that the rent payable hereunder shall be the sum specified in paragraph 3(a) for Parcel A. However, if said vacation obtains subsequent to the taking of possession of Parcel A by Lessee, then Lessee shall pay the additional rent as specified in paragraph 3(a) for Parcel B commencing on the date that the vacation proceeding becomes final. In the event the beginning date of the primary term is other than the date as stated in paragraph 2, the parties hereto agree to execute a supplemental agreement establishing the beginning and ending dates of said primary term.